



COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE OFFICE OF
ENERGY AND ENVIRONMENTAL AFFAIRS
DEPARTMENT OF ENERGY RESOURCES
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Timothy P. Murray
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Mark D. Sylvia
Commissioner

December 9, 2011

Neil Leibman, Chief Executive Officer, &
Rod Danielson, President
Horizon Power & Light, LLC
800 Bering Drive, Suite 250
Houston, TX 77057

RE: End of Non-compliance with RPS Class I, 225 CMR 14.00

Dear Messrs. Leibman & Danielson:

You are hereby notified that Horizon Power & Light, LLC ("Horizon") is no longer in a state of Non-compliance for Compliance Year 2010 with provisions of the Massachusetts Renewable Energy Portfolio Standard – Class I ("RPS Class I"), as set forth in Regulation under 225 CMR 14.00.

As stated in DOER's Notice of Non-compliance in a letter to you dated August 26, 2011, Horizon's condition of Non-compliance commenced on July 2, 2011. That condition of Non-Compliance remained in force until October 17, 2011. On the latter date, DOER received documentation that Horizon had made the appropriate RPS Class I Alternative Compliance Payment to the MassCEC in the amount required to make up the difference between (a) the Attributes banked from surplus in its 2009 Compliance Filing and (b) its CY 2010 RPS Class I obligation. That difference was made up by Horizon remitting a series of four payments that totaled \$82,377.36, which provided the required 1,352 MWh of Alternative Compliance Credits.

Please note that the recent condition of Non-compliance had pertained only to Horizon and not to REP Energy, LLC ("REP"), the other corporate entity of which you are, respectively, CEO and President, which remained in compliance throughout this period.

Also note that the August 26, 2011, Notice of Non-compliance letter, which was posted at DOER's RPS website, will be replaced there by today's letter. This letter also will be sent to the Massachusetts Department of Public Utilities and to any other entity to which DOER sent the earlier Notice. Finally, note that, as stated in the earlier correspondence, a brief summary of Horizon's Non-compliance, the end of same, and DOER's actions are in the *RPS & APS Annual Compliance Report for 2010*, which will be issued in the very near future.

Sincerely yours.

A handwritten signature in black ink, appearing to read "Robert F. Sydney".

Robert F. Sydney
General Counsel

CC: Howard B. Bernstein, DOER
Brian Davis & Alexey Cherniack, MA Department of Public Utilities